

Episode 14: “DEA Awards Additional Applicants Opportunity to Research Marijuana at the Federal Level”
Speaker: Aleece Burgio

[AB] Hey, everyone, this is a Barclay Damon Live broadcast. You’re listening to The Cannabis Counselor, and I’m your host, Aleece Burgio. Let’s get into it!

What’s up, everybody? This is Episode 14 of The Cannabis Counselor. And today we’re going to be talking about how the Drug Enforcement Agency, the DEA, has finally, finally awarded additional applicants the opportunity to research marijuana at the federal level.

You know, for the past, I think, like 50 years, the University of Mississippi has just had a monopoly on the research of marijuana. There hasn’t been a whole ton of, you know, enthusiasm behind it. A lot of the criticism has been that Mississippi grows marijuana that’s more in line with hemp than marijuana. It’s just not the right product; they don’t have enough products to look at that’s indicative of what’s already in the space. And so there’s been for the past ... since 2016 since President Obama had said that he would open up the research application period—more than 30 different applicants had applied to start researching marijuana federally. And there was this big lull and delay during the Trump administration. It wasn’t a top priority. But as of last week, President Biden has sent three different applicants, what’s called a Memorandum of Agreement, an MOA.

Those three companies are actually Biopharmaceutical Research Company which is out of California. We’ve got Arizona has a company called Scottsdale Research, and then Groff North America, which is in Pennsylvania. These three companies are going to be the first round, and who knows if they’ll expand more than that, but they’re going to be allowed now to research marijuana. The MOA ... So this Memorandum of Agreement kind of outlines what it means to be an applicant. You’re going to facilitate this cultivation process and then send your research, send your marijuana to over 570 different DEA license-holders. So each applicant is going to be authorized to essentially cultivate and research marijuana, and then send it to over 575 different DEA research license-holders across the nation, which is really important.

Let’s talk about why this is important. We know that marijuana is a Schedule I substance, and what that means is that as a Schedule I substance, the federal government has found that product or that drug has no medicinal value and has a high propensity for abuse. So what they’re saying is that marijuana has no medicinal value. And that’s very interesting, given the amount of states that have already approved a medical marijuana program. But having this research focused on why marijuana has medicinal value can provide an opportunity for one, doctors to continue to be encouraged to administer marijuana in medical card form and certifying those patients.



Or two, we could see—hopefully and I mean like fingers crossed here, this is what we want—which is a de-scheduling or decriminalization of marijuana at the federal level. And that would open up so many different opportunities for not only these researchers and consumers of marijuana, but for the contradiction and operation of legally run state marijuana businesses, either in recreational or medical use, or, you know, just stop the problem areas with 280E provisions, which we’ve talked about; having this fear that the federal government is going to come in and take down a legalized operation, banking services, insurance ... So there’s all these really important components that the federal government has control of that we’re really wonky on right...we’re behind the times with having this parallel of what the states believe and what the federal government believes. And so we’ve definitely seen a few bills that have been put into the federal legislator. The More Act, SAFE Banking. There was just a bill that was put in from the Republican side of the table. But realistically, what we need to show is through more research, the benefits of marijuana ... and this is why this is so important.

So any advocate in the industry is very excited about this, because it gives an opportunity for these research institutions to show how weed is supposed to be grown. Is there any benefit to having a THC-based tax? There’s been a huge discussion point in all different states on whether or not we should cap the amount of THC in a product. We need to have this research that shows that maybe these THC levels don’t have as much of an effect on the consumer as the politics are led to believe on that issue, not saying yes or no to that topic, but it’s something that needs to be researched in order for all these new adult use states to effectively put the right product out there.

What we could see with cap limits is just this whole elimination of product that originally started on the West Coast because there weren’t any THC limits from Washington, from Oregon, from Colorado. We’re seeing it talked about a lot in Florida. New York has obviously created a THC-based tax. So this is stuff that I think will be vetted out really nicely through these now for research institutes.

So now, these three new applicants who have been sent this Memorandum of Agreement have been asked to look at the agreement, make some comments. Maybe there’s some changes that they need to talk about and then submit it back for approval from the DEA to finalize these new research holders.

You know, hopefully we’re not just seeing the end of the approval process. There’s been a few companies that have also submitted in New York, Columbia Care submitted, GV Sciences, Green Leaf. There were over 30 proposals that were being reviewed for research operators. And there is this kind of bearing on ... you don’t want to grow too much weed. So the DEA is very conscientious of having an allotted amount that can be grown to. So there’s a quota for each of these researchers, and there’s some indication that Mississippi actually destroys a lot of the marijuana that they currently research. And what you don’t want is to have an oversupply. But I think that there needs to be some type of indication that like, just because we’ve done it the same way for the past 50 years, doesn’t mean it’s the right way. And with the fact that almost, you know, every state has contemplated some form of legalization, either in medical or recreational, it is, you know, more than enough evidence, in my opinion, to remove marijuana from Schedule I. I mean, marijuana is in the same company as, like, LSD, as heroin, as ecstasy, as meth. I mean, it makes no sense. It makes no sense. And then cocaine is Schedule II. So cocaine is literally a lower schedule than marijuana. It boggles my mind.



I think we're going to see a lot more information on this topic as it continues to go. And I think what's really important—and a lot of the advocates have been getting pushback on this from those who are who are critics of a program for marijuana—is public health issues, right? I mean, that's always the one that's being talked about in terms of why marijuana shouldn't be legalized is: what are the effects of it? And so research is the way to do that. And we talk about this all the time. Right? How can you have research for something before you legalize it? Well, the federal government hadn't allowed research on this plant for 50-plus years. Now that it's expanding that research, there's going to be more knowledge-base on the effects of marijuana on a consumer, the age group in which it works on, if there's certain diagnoses, things like that, all really important issues to emphasize why it should be used or why it should de-scheduled, the funding is needed. And now that we have it for the purposes of DEA, that is a really nice step towards, I think, a really bright future for marijuana.

Thanks for tuning in. We'll touch back on this topic, I'm sure as we get more information, but very excited about this, and I think it's a great step for federal decriminalization. Thanks for listening.

The Cannabis Counselor podcast is available on YouTube, LinkedIn, Apple Podcast, Spotify, and Google Play. Like, follow, share, and continue to listen. Thanks.

